

Remarks

Claims 1-33 are pending in the above-identified application. Claims 1, 7-11, 20, 27, 28, 30-33 are amended, claim 29 has been cancelled, and claims 2-6, 12-19, and 21-26 are original.

The Examiner rejected claims 7-10 under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. With this amendment applicant has amended claims 7-10 to render the claims definite, and the Examiner is respectfully requested to reconsider the rejection of claims 7-10. Applicant has also cancelled claim 29.

The Examiner rejected claims 1-6 and 11-33 under 35 U.S.C. 102(e) as being anticipated by Steele et al 6,564,047 (hereinafter Steele).

The Examiner also rejected claims 7-10 under 35 U.S.C. 103(a) as being unpatentable over Steele et al 6,564,047 (hereinafter Steele) in view of Himmel et al 6,987,844 (hereinafter Himmel).

The following legal requirement is quoted from MPEP 2131 and establishes what is required to sustain a rejection under 35 U.S.C. §102. "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987).

Applicant has amended each of the independent claims 1, 11, 20, and 27 to include: the predetermined time interval being a billing cycle, and the step of transferring comprising at least one of a trade of off-peak minutes for peak minutes in a current billing cycle at a first predetermined exchange rate, a push of peak minutes in a current billing cycle to peak minutes in a next billing cycle at a second predetermined exchange rate, a pull of peak minutes in a next billing cycle into a peak minute category in a current billing cycle at a third predetermined exchange rate, and a pull of

off-peak minutes in a next billing cycle into a peak minute category of a current billing cycle at a fourth predetermined exchange rate.

The Examiner admitted that Steele fails to disclose wherein the step of transferring comprises a trade of off-peak minutes for peak minutes in a current billing cycle at an exchange rate, a push of peak minutes in a current billing cycle to peak minutes in a next billing cycle at an exchange rate, a pull of peak minutes in a next billing cycle into a peak minute category in a current billing cycle at an exchange rate of approximately 1 to 1, and a pull of off-peak minutes in a next billing cycle into a peak minute category of a current billing cycle at an exchange rate.

Therefore, with the amendment of the claims the rejection of claims 1-6 and 11-33 under 35 U.S.C. 102(e) as being anticipated by Steele et al. has been overcome. The Examiner is therefore respectively requested to reconsider this rejection of the claims.

MPEP §706.02(j) states:

"To establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not based on applicant's disclosure. In re Vaack, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991)."

MPEP §2143.01 provides: The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. In re Mills, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990). Obviousness cannot be

established by combining the teachings of the prior art to produce the claimed invention, absent some teaching, suggestion or incentive supporting the combination. *ACS Hospital Systems, Inc. v. Montefiore Hospital*, 732 F.2d 1572, 1577, 221 USPQ 929, 933 (Fed. Cir. 1984).

One court further noted that there were three possible sources for such motivation, namely "(1) the nature of the problem to be solved; (2) the teachings of the prior art; and (3) the knowledge of persons of ordinary skill in the art." *Id.* at 1357, 47 USPQ2d at 1458. Here, according to this court, the Board had relied simply upon "the high level of skill in the art to provide the necessary motivation," without explaining what specific understanding or technological principle within the knowledge of one of ordinary skill in the art would have suggested the combination.

The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. In *re Mills*, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990). *Prima facie* obviousness only exist when the prior art suggests or anticipates the benefits of modifying or combining references or when external factors, such as the changing state of the art, provide the motivation to one of ordinary skill in the art to make the modification or combination. However, where no reasonable intrinsic or extrinsic justification exists for the proposed combination or modification, *prima facie* obviousness will not have been established.

The black letter law statements by Judge Linn in *In re Kotzab*, 217 F.3d 1365, 55 USPQ2d 1313 (Fed. Cir. 2000) are applicable to the present rejections, viz:

a) Hindsight Syndrome

A critical step in analyzing the patentability of claims pursuant to section 103(a) is casting the mind back to the time of invention, to consider the thinking of one of ordinary skill in the art, guided only by the prior art references and the then accepted wisdom in the field. ... Close adherence to this methodology is especially important in cases where the very ease with which the invention can be understood may prompt one "to fall victim to the insidious

effect of a hindsight syndrome wherein that which only the invention taught is used against its teacher." (Id. at 1369, 55 USPQ2d at 1316) (citations omitted).

b) Need for Motivation

Most if not all inventions arise from a combination of old elements. ... Thus, every element of a claimed invention may often be found in the prior art. *See Id.* However, identification in the prior art of each individual part claimed is insufficient to defeat patentability of the whole claimed invention. *See Id.* Rather, to establish obviousness based on a combination of the elements disclosed in the prior art, there must be some motivation, suggestion or teaching of the desirability of making the specific combination that was made by the applicant. (Id. at 1369, 55 USPQ2d at 1316) (citations omitted).

c) Particular Findings Required

The motivation, suggestion or teaching may come explicitly from statements in the prior art, the knowledge of one of ordinary skill in the art, or, in some cases the nature of the problem to be solved. In addition, the teaching, motivation or suggestion may be implicit from the prior art as a whole, rather than expressly stated in the references. ... The test for an implicit showing is what the combined teachings, knowledge of one of ordinary skill in the art, and the nature of the problem to be solved as a whole would have suggested to those of ordinary skill in the art. ... Whether the Board relies on an express or an implicit showing, it must provide particular findings related thereto. Broad conclusionary statements standing alone are not "evidence." (Id. at 1370, 55 USPQ2d 1317) (citations omitted).

Steele et al. disclose a system and method of communications usage management for multiple networked devices such as cellular telephones in a telecommunications network. A management database is provided for storing communications attributes for at least one networked device. The stored communications usage attributes serve as criteria for regulating access of the networked devices to the system. The users of the devices may purchase a quantity of transferable units, such as usage minutes over the system network, with the units being redeemable for goods and/or services on the system, thus facilitating transfer of units between users. A user interface is provided as a system management device for accessing the management database to configure the communications usage attributes for defining the transfer and usage criteria. Communications usage

software operable with the network devices computes usage times to provide an accounting of usage and regulation in accordance with the management database. In the described embodiment, short message service (SMS) traffic is used for messages between networked devices used by several users to purchase quantities of redeemable units for exchange, commercial activities, or recreation which may be facilitated through the system operator.

Himmel et al. disclose a method, computer program product, and data processing system for transferring mobile telephone minutes or other mobile telephone services or features from one customer to another is disclosed. A customer dials into an interactive service that allows the customer to specify one or more recipients and a number of minutes, services, or features to transfer. A data processing system associated with the customer's mobile telephone service provider effects a transfer of minutes, services, or features from the customer's account to the recipients' accounts. In addition, a notification that the transfer has occurred can be sent to the recipients.

Applicant has amended each of the amended claims to include that a trade transaction request being formed by the mobile time trade controller, the trade transaction request being sent from the mobile terminal to the time trade controller in the mobile switching center, and selection information, formed by the mobile time trade controller and based on current time used information, being sent from the mobile terminal back to the mobile switching center. This aspect of the claimed invention in combination with the other aspects of the claimed invention is not anticipated nor obvious in view of the cited prior art taken singly or in combination.

For example, neither of the cited prior art references disclose the mobile switching center having a MSC time trade controller and the mobile terminal having a mobile time trade controller that communicate with one another as described above.

Therefore, with the amendment of the claims the rejection of the claims under 35 U.S.C. 103(a) as being unpatentable over Steele et al 6,564,047 in view of Himmel et al 6,987,844 has been overcome. The Examiner is therefore respectfully requested to reconsider this rejection of the claims.

More specifically, the independent claims are patentable over any combination of the cited prior art. The dependent claims include all the limitations of the respective independent claims upon which they depend, and are therefore also allowable over the cited prior art for the reasons set forth above with respect to independent claims.

Reconsideration and withdrawal of the rejections is therefore respectfully requested. In view of the above remarks, allowance of all claims pending is respectfully requested.

The prior art made of record and not relied upon is considered to be of general interest only. This application is believed to be in condition for allowance, and such action at an early date is earnestly solicited. If a telephone conference would be of assistance in advancing the prosecution of this application, the Examiner is invited to call applicant's attorney.

Respectfully submitted,


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